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## Senate

(Legislative day of Monday, July 10, 1995)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

### PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

*Commit your way to the Lord, trust also in Him and He shall bring to pass \* \* \* rest in the Lord, wait patiently for Him \* \* \*—Psalm 37:5,7.*

Lord, as we begin a new week we take these four vital verbs of the psalmist as our strategy for living in the pressure of the busy days ahead. Before the problems pile up and the demands of the day hit us, we deliberately stop to commit our way to You, to trust in You, to rest in You, and wait patiently for You. Nothing is more important than being in an honest, open, receptive relationship with You. Everything we need to be competent leaders comes in fellowship with You. We are stunned by the fact that You know and care about us. We are amazed and humbled that You have chosen to bless this Nation through our leadership. In response, we want to be spiritually fit for the rigorous responsibilities. So, we turn over to Your control our personal lives, our relationships, and all the duties You have entrusted to us. We trust You to guide us. We seek the source of our security and strength in You. We will not run ahead of You or lag behind, but will walk with You in Your timing and pacing toward Your goals. You always are on time and in time for our needs. May the serenity and peace we feel in this time of prayer sustain us throughout this day. We thank You in advance for a great day filled with incredible surprises of sheer joy. In Your all-powerful name. Amen.

### RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader is recognized.

### SCHEDULE

Mr. GRAMS. Mr. President, leader time has been reserved for today. There will be a period for morning business until 10 a.m. At 10 a.m., the Senate will resume consideration of S. 343, that is the regulatory reform bill, with the Glenn substitute amendment pending.

The first votes today will begin at 6 p.m. The first one will be a 15-minute vote on the motion to invoke cloture on the Dole-Johnston substitute amendment to S. 343. That will be followed by any votes ordered on or in relation to amendments considered throughout the session today.

Further votes are also expected beyond those ordered for 6 p.m., and a late night session is possible in order to make progress on the regulatory reform bill.

Also today, Senators are reminded under the rule XXII, second-degree amendments to the Dole-Johnston substitute must be filed by 5 p.m. today in order to qualify postcloture.

Also, a second cloture motion on the Dole-Johnston amendment was filed on Friday, which will ripen tomorrow, if necessary. In connection with that cloture motion, any further first-degree amendments must be filed by 1 p.m. today.

### MORNING BUSINESS

The PRESIDING OFFICER (Mr. INHOFE). Mr. President, under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 10 a.m., with Senators permitted to speak for up to 5 minutes each.

The Senator from Minnesota.

### GUARDING AGAINST BUREAUCRACY

Mr. GRAMS. Mr. President, any successful entrepreneur who starts out small and gradually builds their business up knows about bureaucracy.

As his or her company grows, so do the piles of paperwork, and the number of employees handling it, and pretty soon projects that used to take a day are taking weeks, or even longer. Lines of communication that used to be clear and open become tangled and confused. What began as a lean machine too often turns into a convoluted, Rube Goldberg contraption.

"In every small business lies the seeds of a bureaucracy."

I read that line in a recent column in the Minneapolis Star-Tribune—a piece by Mark Stevens entitled "Action Needed to Guard Against Bureaucracy."

"Rules begin to sprout," wrote Mr. Stevens, "and procedures start to take hold that do more to complicate life than to achieve objectives. Left unchecked, these enemies of efficiency tend to multiply until they choke the business."

How many entrepreneurs, do you suppose, have choked on their own enemies of efficiency? How many have been done in by a self-generated bureaucracy that simply ate up resources, devoured precious time, and clouded the original goals outlined in the business' master plan?

Judging by the rate that small businesses come and go in this country, I guess that it is a significant number. Bureaucracy is a lot like hail on a cornfield—a little is not going to hurt, but too much of it can be disastrous.

And nobody knows more about bureaucracy than the folks who work here on Capitol Hill.

Mr. Stevens was writing about small business in his article, but he could just as easily have been describing the

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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Federal Government—the biggest bureaucracy this world has ever known.

I have said it often: small business and Government actually have a great deal in common. But the bureaucratic problems that can plague a small business are magnified a million times in Washington.

Imagine having so many new regulations that it took 65,000 pages to print them last year alone.

Imagine having so many employees that you are not only far and away the largest employer in the Nation, but your annual receipts put you at the very top of the Fortune 500 list as well.

Imagine having your finger in so many pies that diversified is just too small a word to describe your operation.

Your employees are overseeing thousands of individual little bureaucracies, thousands of programs, projects, and agencies that have taken on lives of their own, and have little accountability to the home office or the folks who ultimately pay the bills—the taxpayers.

That is the Federal Government.

But just as small business owners need to take steps to clear out the cobwebs of bureaucracy and get back to basics to survive, so should Washington.

In fact, the line that originally caught my eye in Mr. Steven's article could easily be turned around to read: "In every bureaucracy lies the seeds of a small business."

Re-exposing those seeds to the light of day and refocusing on the basics is the key to what we are now trying to create in Congress—a Federal Government that runs with the same efficiency as an effective small business.

In his column, Mr. Stevens outlined four steps that managers can use to gauge whether a business is drowning in bureaucracy, and suggestions on how to turn things around if it is. His ideas work equally well when applied to the Federal Government.

#### STEP NO. 1:

Review company rules and procedures, questioning why they were established and, equally important, if they still make sense.

[Eliminate] anything that detracts from your company's ability to achieve its business objectives rapidly and productively.

Of course, the National agenda changes with time and circumstances, but we are in a period now where our objectives, as mandated by the voters, seem better focused than ever.

Provide for the Nation's needs, protect the unprotected, and unshackle our job providers, so that they are able to put more Americans to work in new, higher paying jobs.

Mountains of Federal rules and procedures litter the track and keep the objectives out of reach.

Sure, they may create Federal jobs—after all, there are some 128,000 regulators on the Federal payroll—but in reality they are job-killers for the private sector, with a cost to the economy as high as \$1.65 trillion each year.

More Government jobs are not the answer.

That is why the efforts in this Congress toward regulatory reform, and the legislation we are considering on the floor, are so critical.

Cutting back the forest of Federal regulations will make Government more efficient. Loosening the bureaucracy will free Government to meet its objectives.

#### STEP NO. 2:

Take a fresh look at payroll, asking if you really need all of the people who work at your company. Investigate whether some people have been added to back up others—who have little to do themselves—or to enforce the wasteful rules and procedures already in place.

Small business owners often work 80-hour weeks just to barely break even. When they see how the Government wastes their tax dollars, they get furious. They could not run their business the way Congress runs the Government, with reckless overspending and billion dollar deficits. The Government would toss them in jail.

Many businesses, large and small, realized during the past decade that bigger does not necessarily mean better. To help boost their profit margin and cut back on the waste, they began downsizing. It is a move that has saved many businesses from extinction and returned them to profitability, and it is a move being duplicated here in Washington. We call it "reinventing Government." With fewer rules and regulations clogging the pipeline, fewer Federal employees are needed to enforce them, and fewer taxpayer dollars are wasted.

But re-inventing does not just apply to the number of people on the payroll, because bureaucracy is more than just employees—it is also the programs that the employees create, enlarge, and regulate. In the balanced budget resolution we have crafted, this Congress has taken a close look at each and every place we are spending the taxpayers' dollars. If a program or an agency does not meet the test of relevancy, if it is not meeting an important national need during tight economic times, then perhaps this nation can do without it.

Small business makes these tough decisions every day—it is about time Congress makes some tough decisions, too. Writes Mr. Stevens:

Unless you rid your company of this dead wood, you will be building a bloated company that is likely to sink under its own weight.

#### STEP NO. 3:

Make certain that accountability is built into every job. Every personal function and responsibility should be monitored and evaluated. Be sure that seniority is not the criterion for promotion.

There is a strong correlation to this in Washington. When it comes to spending decisions on the Federal level, the effectiveness of a Government program does not always determine whether it gets funded year after

year. Far too often, Government programs get their annual funding simply because they are there. Unmonitored and unevaluated, they are often automatically renewed for decades. And nothing breeds more bureaucracy than an entity which never needs to justify its existence.

If Washington is serious about guarding against bureaucracy, it will build accountability into the budget process by sunseting Federal spending. Congress needs the opportunity to reexamine what works and what does not. Just because a program has been around for a while does not mean it is a good investment.

#### STEP NO. 4:

Grant responsible employees the authority to make certain decisions—for which they now need approval—unilaterally. Elaborate approvals do little more than slow the company's response time and make it more difficult to serve customers.

For the Federal Government, that means moving the concentration of power from Washington back to the States, where it belongs. There is more than just a physical distance between Washington and the rest of the country. There are different priorities outside here as well, and nobody on the other side of the Beltway really believes that Congress can spend the taxpayers' dollars better than local officials can.

Our responsibility is to leave the decision making where it can do the most good and speed up the response time to best serve the taxpayers—who are not only the customers of this Government, but its owners as well.

"Keep in mind that no one sets out to create a bureaucracy," wrote Mark Stevens. "But unless you are diligent in protecting it, the bureaucracy will form on its own."

Of course, that is exactly what happened in Washington. But if we follow the same advice that scores of small businesses have used to pull themselves out of the bureaucratic quagmire—eliminating senseless rules and regulations, downsizing to promote efficiency, evaluating spending decisions, and putting faith, and the dollars to go along with it, in the hands of the States, not Washington—we will shrink the bureaucracy. And while we are doing that, Mr. President, we will expand the people's faith in their Government.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. INHOFE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRAMS). Without objection, it is so ordered.

Mr. INHOFE. Mr. President, I ask unanimous consent that I be allowed to speak for whatever time I shall consume during morning business between now and 10 o'clock.

The PRESIDING OFFICER. Without objection, it is so ordered.

### REGULATORY REFORM

Mr. INHOFE. Mr. President, on Saturday President Clinton gave his Saturday speech wherein he justified defeating the regulatory reform bill.

I really believe that so many people who are opposed to this regulatory reform bill did not get the message that came from the American people on the 8th of November because, loudly and clearly, they wanted to redefine the role of Government in our lives.

The President talked about how you are going to be poisoned by your hamburgers. He talked about how people are dying in the streets because they are not adequately protected from exposure to the physical elements, and from food, as if Government has a role of taking care of everyone and people's responsibility for themselves is nonexistent. And the theme of all of this was that Government really does things better than people do. That is not what this country is all about.

The other day we were talking about some reforms that were necessary insofar as the EPA is concerned. The EPA is a good example of a regulator that has gone far beyond the intent of what we have always felt a regulator should do.

I remember in my city of Tulsa, OK, there is a lumber company called Mill Creek Lumber Co. owned by the Dunn family. It is a third generation lumber company owned by the family. It is a competitive business. It is a tough business.

I got a call from Jimmy Dunn, the owner and CEO of Mill Creek Lumber Co., that family lumber company on 15th Street in Tulsa, OK. He said, "The EPA just put me out of business after three generations of family running this business." I said, "What did you do wrong?" He said, "I do not think I did anything wrong." He said, "About 10 years ago I sold used crankcase oil to a licensed contractor, and the licensed contractor apparently disposed of it in the wrong place." It was called the Double Eagle site.

So this guy 10 years later, after disposing of crankcase oil, long before the law was even in effect, ended up with a letter from the EPA Administrator saying that you are going to be fined \$25,000 a day, and you are going to maybe even have criminal sanctions.

Then a year ago Christmas, about 4 or 5 days before Christmas, I got a phone call from a guy named Keith Carter. Keith Carter was a man of very modest means. He had developed a business in Skiatook, OK, which was in my congressional district at that time. He called up one day 4 days before Christmas and he said, "Congressman INHOFE, I have a serious problem. The EPA just put me out of business, and right before Christmas, I have to fire my six employees." I said, "What happened?" He said, "Well, about 2 years

ago I moved from the basement in my home three blocks down the street to another location because the business was kind of good and I needed a little bit more room. Apparently they say that I did not advise the EPA that I made my move." I said, "My gosh. You have been operating for 2 years in an area where they did not know where you were?" He said, "Oh, no. I told the regional office in Texas. But apparently they did not tell the office in Washington." They called up and put him out of business.

It took me about a week to get him back in business. He called up a week later, and he said, "I have another problem, Congressman." He said, "They let me back in business but I cannot use the number that I had before because they said during that 1 week I was out of business, they assigned it to somebody else. I had \$25,000 worth of inventory."

So we finally got it corrected. But for each one who calls a Congressman or someone to intervene in behalf of decency and honesty and good sense, there are hundreds of them who do not do that. If he had not called, then Keith Carter would have been out of business and his employees would be unemployed today, most likely. That is the kind of abuse that takes place by regulators in our society.

I suggest, Mr. President, the theme of this thing is far greater than we have been talking about. We are talking about freedom. That is what this whole thing is about; freedom, individual freedom. That is what this country is supposed to be all about.

I remember a few years ago when we had the problems down in Nicaragua. And I know, Mr. President, you were serving over in the House at that time and remember it also. At that time, it was, fortunately, driven home to me how we are perceived around the world, that we are the bastion of freedom, that we are the beacon of freedom. If you lose it here, you do not have it anywhere else. That is what this regulation is about, the theme that Government knows better how to take care of our lives than we do.

This is what was happening in Nicaragua at that time, if you will remember the big controversy we had here in both Houses of the U.S. Congress with people saying, "Well, the freedom fighters are really a bunch of rebels. We should not get involved in this thing." Yet, we knew that the Communists at that time were supplying them with the best of armaments, with the best of tanks, and with the best of helicopters. And so you had the freedom fighters risking their lives.

I can remember going down to Honduras. I think we were only about 7 miles from the Nicaraguan border. And I went through a hospital tent down there where they were bringing the freedom fighters in and nursing them back to health. The tent was about the size of these Chambers. It was a very large tent. And all around the periph-

ery they had hospital beds that were in a circle. And then they did their surgical procedures in the center. About all they did was amputations at that time because most of the young people who were in there, the freedom fighters from Nicaragua, were in there because they had stepped on land mines or something like that, so most of them were amputations. The average age of the freedom fighter was 18 at that time, because the older ones had either died or lost their arms or legs.

I remember, I went all the way around—I speak Spanish—and I talked to each one of those individuals. I tried to get in my own mind: What is it that is driving these people? What is it that they risk their lives for that so many of them are dying? And so I asked the question to each of them. The last one was a young girl 19 years old. Her name was Maria Lynn Gonzalez. I will always remember her because she was an itty-bitty girl. It was her third visit to the hospital tent; she kept coming back. But she would not go back to fight again because that morning they amputated her left leg and blood was oozing through the bandages.

As she lay there, with her large eyes looking up after having gone through all that terror, I asked her that question. She responded to me, and she said:

Es porque han tomado nuestras casas, campos, todo lo que tenemos. Pero, de veras, ustedes en los Estados Unidos entienden. Porque ustedes tuvieron que luchar por su libertad lo mismo que estamos luchando ahora.

What the little girl was saying was well, of course, we are fighting; we are fighting because they have taken our farms and our houses and everything we own. But surely you in the United States do not have to ask that question because you had to fight for your freedom from an abusive government the same as we are fighting for our freedom today.

It occurred to me at that time this little girl, Maria Lynn Gonzalez, who could not read or write, she was not well educated; she had never gone to school; she was brilliant in her knowledge and appreciation of freedom, and she was willing to die for it. She looked at our revolution in this country, that revolution which we could not have won any other way than our reliance upon God and the principles that made this country so great, and she did not know whether we won that revolution 5 years ago or 200 years ago; she did not have any concept of when all this was happening, but to her it was a fight for freedom against all odds, and we were that beacon of freedom that led them to their success down there.

It has been that way for 200 years. The whole world looks at us. And while the world looks at us as the example that people are bigger than government, and that totalitarian government, centralized government that is in charge of people's lives does not perform as people do when they are unleashed and can do as they wish and